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The Philippines: Preparing To Test Presidential Succession

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An Intelligence Assessment

Secret

EA 85-10022 February 1985

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An Intelligence Assessment

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	The Philippines: Preparing To Test Presidential Succession	25 X 1
Key Judgments Information available as of 15 January 1985 was used in this report.	President Marcos's insistence on keeping political institutions weak—including maintaining an ambiguous succession mechanism—points to a rocky road to new leadership if he dies or becomes incapacitated. The jockeying during his current health crisis has intensified widespread anxiety about the soundness of the succession process. Because we believe Marcos's health will probably show only transient improvement, we expect this concern will continue to eclipse all other key national issues—including severe economic problems and a growing insurgency—during the next year.	
	The arguments in favor of a constitutional succession—the emergence of independent leadership within the ruling party, General Ver's diminished status in the military, and Acting Chief of Staff Ramos's pledge to uphold the Constitution—might prevail in the immediate aftermath of Marcos's death. Nonetheless, a breakdown of the process is possible if Marcos's inner circle determine that they cannot settle the leadership question before the National Assembly moves ahead on election procedures.	
	We believe Marcos's permanent incapacitation would be more likely to increase temptations within his inner circle to circumvent the constitutional process. Imelda Marcos and her brother, Ambassador to the United States Benjamin Romualdez, probably would be the prime movers in such a scheme, and they almost certainly would depend on General Ver to deliver military support.	
	Although Marcos has not openly supported his wife's succession maneuvering, we believe recent moves on his part are designed to pave the way for Mrs. Marcos to succeed him, if the succession mechanism is activated before 1987. His refusal at a ruling party caucus in January to consider proposals to strengthen legal succession and to hold a presidential election before 1987 suggests that he is trying to gain time to allow Imelda Marcos to improve her position in the ruling party and with the public.	
	On balance, we believe the continued strengthening of political institutions—including the tightening of the succession process—will take more time than events surrounding Marcos's health will allow. For that reason, we believe that a chaotic succession contest is probable.	25 X 6
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	iii Secret	

EA 85-10022 February 1985



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A Chronology of New Succession Mechanisms		
Marcos declares martial law under provisions of the 1935 Constitution, citing danger of a violent overthrow of the government by Communist rebels. Partisan political activity is suspended and the office of the vice president abolished. 1978 Interim National Assembly begins to function in	of the vice president. Marcos reluctantly abolishes the executive committee and declares that the Prime Minister will succeed if the President dies or is incapacitated. This does not satisfy most critics, including several KBL leaders, who continue to call for a constitutional amendment clarifying the succession. The Interim National Assembly—with its overwhelming ruling party majority—passes a constitutional amendment that revives the office of the vice	25X1
parliamentary system; Marcos retains power to rule	president in 1987 and establishes the current succession arrangement.	057/4
by decree if the legislature is deadlocked.	sion arrangement.	25X1
Martial law is lifted; Marcos retains authoritative powers, including the power to legislate by decree. An executive committee is created in case Marcos dies or is incapacitated. Cesar Virata—as newly appointed Prime Minister—heads the committee; Marcos also names nine others, including Imelda Marcos, Defense Minister Enrile, and Deputy Prime Minister Rono. Plebiscite ratifies constitutional amendments, includ-	Plebiscite ratifies the new succession mechanism, which provides for the Speaker of the National Assembly to act as caretaker president if Marcos dies. New National Assembly is elected in May with an increase in opposition representation from 12 to 60 out of a total of 183 elected seats. Marcos's health crisis in November sparks new round of succession anxiety. Several bills further clarifying the succes-	25X1
ing transfer of authority from Prime Minister to President; President can now be elected to indefinite	sion process are introduced in the Assembly.	25X1
number of six-year terms.	1985	25X1
1982	Ruling party	25X1
	sponsors a resolution that would synchronize provincial, local, and presidential elections, but Marcos declares that provincial elections in 1986 and presidential elections in 1987 will be held on schedule.	25X1
Marcos adds three more representatives to the executive committee; National Assembly passes procedural rules for the executive committee and defines presi-	1986	25X1
dential incapacitation.	Provincial elections will test ruling party discipline.	25X1
businessmen,	1987 Marcos's presidential term ends and new elections	25X1 25X1
and the church call for the abolishment of the executive committee and the restoration of the office	are scheduled.	25X1
Aquino assassination, and many ruling party members began viewing her as a political liability when she failed to deliver Manila's vote in the National Assembly election last May. General Ver's position has also steadily eroded since the assassination, and this decline has accelerated since the release of the Agrana	Board's majority report last October, which implicated Ver and other military officers in the Aquino assassination.	25X1

2

Nonetheless, both continue to command political and military assets that would allow them to intervene as a succession scenario plays itself out. for example, give her an inside track. She has also assumed several highly visible official duties during Marcos's convalescence, which has improved her political standing within the ruling party considerably in recent weeks, according to the US Embassy. Some ruling party officials are almost certainly interpreting her new prominence as having the backing of the President, but we have no	Armed Forces Chief of Staff.	25X ²
evidence to indicate this is the case.	Pressures in Support	25 X 1
In addition, the Assembly Speaker has longstanding political ties to Mrs. Marcos and may be willing to manipulate the constitutional provisions to her advan-	In our judgment, the legal succession mechanism would have extensive support in the event of Marcos's death. For one thing, the military has traditionally kept its distance in political affairs.	25X1 25X1
tage. She would also be able to rely on the considerable political and financial resources of her brother, Ambassador to the United States Benjamin Romualdez.	would be unlikely to oppose a legal successor unless peace and order in Manila were seriously threatened.	25 X 1
General Ver's tenure as Chief of the Armed Forces since 1981 has allowed him to weave a network of political alliances among senior officers that—although weakening—might still afford him the clout to alter the outcome of a succession contest. He almost certainly would be urged by other inner circle members—including Imelda Marcos or presidential crony Eduardo Cojuangco—to defend their interests if the leadership question is not settled before the National Assembly moves ahead with deciding on election procedures. ²	Much of the support for the Constitution would come from Marcos's own ruling party—the KBL. Marcos's death would place initial control of the government in the hands of the party, which, through its majority in the National Assembly, would determine the procedures for the special election. The commission that oversees elections (COMELEC), moreover, is a ruling party creation—thus increasing the opportunity for manipulating election results. This suggests that pressures for extraconstitutional measures initially would not be great, provided that those at the helm of the party determine that they can control the election.	25X1 25X1 25X1
Ver, with the help of Imelda Marcos, has been engaged in an extensive media campaign to refurbish	Pressures to circumvent the	
his image in what appears to be a bid to return as		
² Cojuangco probably is a billionaire and owes much of his financial success to his privileged relationship with Marcos, whom he has supported politically for more than a decade.		25X′

3

The Key Players



Imelda Marcos

Still harbors presidential ambitions...likely to rely on General Ver's support in a bid for power and continues to advance Ver's political "rehabilitation"... close ties to the current Assembly Speaker, Nicanor Yniguez... can also rely on the considerable financial support of her brother, Ambassador to the United States Benjamin Romualdez.

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General Ver

Remains on leave from post as Armed Forces Chief of Staff...likely to support Mrs. Marcos's bid for the presidency, especially if Marcos designates her his successor...almost certainly wants to be reinstated as Armed Forces Chief if Imelda Marcos succeeds the President.

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Defense Minister Enrile

Several recent actions—including widespread media campaign—underscore his presidential ambitions...recent harsh exchange during ruling party caucus with Imelda Marcos over the growth of the Communist insurgency interpreted by ruling party members as a direct challenge...longstanding relationship with agricultural magnate Eduardo Cojuangco may provide substantial financial resources in a campaign bid...also reportedly on good terms with Acting Armed Forces Chief Fidel Ramos

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Acting Chief of Staff Ramos

Has pledged to uphold the Constitution in a succession contest... has not publicly come out in support of any potential candidate... longstanding animosity toward Imelda Marcos... has been working closely and reportedly smoothly with Enrile since assuming chief of staff position.

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Deputy Prime Minister Rono

Marcos's right-hand man and shrewd player in the ruling party... has shown no inclination to support Imelda Marcos or Enrile but would be a valuable ally for either contender...probably would back whomever he perceives to be the most likely to succeed.

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Eduardo Cojuangco

Principal member of Marcos's inner circle and one of the cronies...immensely wealthy with substantial financial and political resources...more likely to be a kingmaker than king...recently reported to be allied with Enrile should a succession contest occur.

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		25 X 1
constitutional process thus would mount if party discipline breaks down. Several key KBL members who we believe will emerge as presidential candidates are Defense Minister Enrile, Deputy Prime Minister Rono, and Foreign Minister Tolentino—each of whom has much to gain from the constitutional process. Rono is reportedly well respected within the party, as is Tolentino, and both will probably receive support from party kingpins. Other reporting suggests that Enrile is not as popular. Recently, however, he has reportedly been mending fences within the party and taken a lower profile in the National Assembly in an effort to make		25X1
himself a more palatable presidential candidate. In addition, Enrile recently has made himself available to US officials—including talking to Embassy officials about the growing Communist insurgency—probably in an effort to garner US support for his candidacy. We believe that members within this group will seek to build alliances from ruling party factions, and perhaps will begin seeking support from within the business community, the church, and the moderate opposition.	According to the US Embassy, members of the business community are also planning for the succession. The Embassy says that leading businessmen—including Jaime Ongpin, brother of Minister of Industry and Trade Roberto Ongpin—are playing a key role in organizing opposition efforts to unify in the event that Marcos is unable to complete his term in office.	25X1 25X1 25X1
Maneuvering Outside of the Elite Other advocates of an orderly succession would include members of the moderate opposition, who will view Marcos's demise as their first real opportunity to share power since the declaration of martial law in 1972. Most opposition leaders reportedly are convinced that the succession mechanism, however imperfect, will probably prevail, and they have begun	Cory Aquino—widow of Benigno Aquino—and former senator Lorenzo Tanada to oversee the selection of potential opposition candidates if special elections are called. Although the Communist Party of the Philippines does not appear to be currently engaging in contingency planning, Marcos's deteriorating health may soon force party leaders to reassess their long-term strate-	25 X 1
* Party discipline has steadily eroded since the assassination of Benigno Aquino and the KBL's poor showing in National Assembly election in May 1984. Nonetheless, no further reporting on the composition of two factions is available at this time, but we suspect that they reflect support for Imelda Marcos or Defense Minister Enrile, both of whom have been actively engaged in campaigns to succeed Marcos during the President's convalescence.	gy.	25X1 25X1
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If Marcos Leaves the Country

Some Philippine observers have speculated that Marcos will leave the country for medical treatment if his health continues to deteriorate. The political climate in Manila, however, would make the political costs of such a move extraordinarily high. We believe the ruling party, the opposition, and the military would interpret his decision as an admission that he is desperately ill and no longer capable of effectively running the government. In our judgment, Marcos probably would leave some letter of instruction with military and ruling party leaders in an effort to maintain peace and order in his absence, and such a letter may already exist, although we have no evidence suggesting this. Nonetheless, opposition leader Aquilino Pimentel claimed in the local press last November that Marcos had arranged for a military junta to act as caretaker government while he sought medical treatment in the United States. In any case, it is unlikely that Marcos would depart without trying in some manner to protect his family and his political power base.

If Marcos's caretaker arrangement consisted of a coalition of independent KBL and military leaders such as Acting Chief of Staff Ramos, we believe it might satisfy opposition leaders and help quell the anxiety that would almost certainly arise following his departure. In this case, the government probably would continue to function in his absence. We believe any attempt by Marcos to designate General Ver or Imelda Marcos as sole caretaker—a less likely possibility because of their declining popularity—would meet with strong opposition from the National Assembly.

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On the other hand, an extended absence on Marcos's part would eventually set into motion opposition and ruling party calls in the National Assembly for clarification of the succession process, including a determination of Marcos's incapacitation. Under these circumstances, we believe the political climate in Manila would become increasingly tenuous and could result in military intervention.

Regardless of what instruction Marcos leaves if he seeks medical treatment outside the Philippines, it is likely to involve a direct role for the military. Although it is impossible to predict whether military leaders would be inclined to support the constitutional process under these circumstances, they may be more likely to act if they believe that they hold a presidential mandate to do so.

If Marcos Is Incapacitated

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The picture will be more complicated—and prospects for the Constitution less promising—if Marcos is incapacitated. Only a declaration of Marcos's incapacitation by the first family or a formal determination by the National Assembly that Marcos is unfit to rule will trip the legal succession mechanism. Imelda Marcos, therefore, would be strongly tempted to hide Marcos's medical condition in order to gain time and

maneuvering room for a succession struggle. Concealing the seriousness of Marcos's incapacitation under such circumstances would work to the disadvantage of other inner circle members.

We believe the political climate in Manila would become increasingly unstable as anxiety about the true status of Marcos's health mounted. If violence erupted under these circumstances, the military could choose to intervene to maintain order. Widespread civil unrest, we believe, would almost certainly force the military to assume the role of principal power broker, even if it were disinclined to do so.

We cannot rule out the possibility that Mrs. Marcos would try to seize power if she determined that she

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could not win support from the ruling party. In such a power play, she would almost certainly call on General Ver for support. General Ramos is more likely to be responsive to the wishes of both opposition leaders and ruling party officials such as Prime Minister Virata. The longstanding enmity between Ramos and Imelda Marcos

makes it unlikely that he would be influenced by her.

Marcos's Political Calculations

All considered, we believe Marcos is content to keep the succession mechanism weak. His refusal to allow the ruling party to introduce clarifying legislation during its caucus in January underscores his desire to ensure that the leadership question in the Philippines remains unsettled. In our judgment, Marcos may hope that a mechanism that is open to manipulation will enable Imelda Marcos to effect a dynastic succession. He almost certainly is aware of her unpopularity with party leaders and probably believes that an ambiguous succession mechanism will improve her chances to succeed him.

We also believe that Marcos had the succession in mind when he announced at the ruling party caucus in January that provincial elections—scheduled for 1986—and presidential elections—scheduled for 1987—would be held as planned.

A decision by

Marcos to hold an early presidential election would, of course, lend credence to the speculation that he is seriously ill, a condition the Malacanang Palace has consistently denied. In any case, the opposition is convinced that early elections will still be called, despite the President's announcement. According to the US Embassy, the opposition interprets Marcos's announcement as an attempt to lull them into believing that they have plenty of time to prepare for the succession.

For his part, Marcos probably hopes that, by adhering to the current schedule for elections, Mrs. Marcos will have time to boost her political standing and garner more support within the ruling party for her candidacy. Among other things, he may believe that she will be able to capitalize on an upswing in the economy by 1987. Furthermore, we believe that Marcos's statement on the election schedule is designed to forestall further succession maneuvering within the party. He almost certainly hopes that the announcement, and his announced candidacy for 1987, will stem growing factionalism within the ruling party—but we do not believe this tactic will work. Provincial elections next year, in any case, will force the ruling party to get ready for elections, thus preparing it for an early presidential election, should one be necessary.

Can a Leadership Crisis Be Avoided?

becoming increasingly tenuous.

One of the leading factors in support of the constitutional succession mechanism is that several key actors who would be involved have recently moved to bolster its prospects. The Speaker, for example, has met with key military leaders, including Ver and Ramos, to solicit pledges to uphold the Constitution during a succession. He received such pledges from both men, with General Ramos publicly stating that the military will uphold the Constitution. In any case, General Ver's continued unsettled status weakens the chances of military intervention in a constitutional succession contest. Although Ver loyalists control key commands in Manila, it is not clear that these ties would automatically translate into support for an extraconstitutional bid for power. Furthermore, already suggests that, as Ramos's tenure lengthens, Ver's control over the military is

Based on an econometric model that simulates the effects of the Philippines' recent debt rescheduling, we believe that the economic outlook through 1986 is bleak. Our analysis indicates that national output will decline by 2 percent this year, and the economy will grow no more than 2 percent in 1986 because of financial austerity measures required by the IMF. A nascent economic recovery could be under way by the 1987 presidential election if the country's political problems ease, favorable economic conditions prevail abroad, and the Philippines continues reforms pledged to its foreign creditors.

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In addition, much institution building has taken place over the past year, probably more than most observers of the Philippines had expected after nearly a decade of martial law. The new National Assembly is a far more vigorous body than its predecessor, and both ruling party and opposition performances have stirred memories of the open—and, according to many critics, freewheeling—premartial law congress. At the same time, several recent actions of the Supreme Court and the legal proceedings that have accompanied the release of the Agrava Board's majority findings point to a more independent judiciary.

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On balance, however, the continued strengthening of political institutions—including the tightening of the succession process—will take more time than events surrounding Marcos's health will probably allow. For that reason, we believe that a chaotic succession contest is probable. The levers that were built into the current Constitution, including a weak succession mechanism, afford room for large-scale manipulation of the system. The military's potentially conflicting role in domestic politics, moreover, makes it probable that pressures to short-circuit the constitutional process will be high.

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